

## SUMMARY

The Office of Natural Gas & Import & Export Activities prepares quarterly reports showing natural gas import and export activity. Companies are required, as a condition of their authorizations, to file quarterly reports. This report is for the first quarter of 2003 (January through March).

Attachment A shows the percentage of takes to maximum firm contract levels and the weighted average per unit price for each of the long-term importers during the 5 most recent reporting quarters.

Attachment B shows volumes and prices of gas purchased by long-term importers and exporters during the past 12 months.

Attachment C shows volume and price data for gas imported on a short-term or spot market basis.

Attachment D shows the gas exported on a short-term or spot market basis to Canada and Mexico.

**First Quarter Highlights:** The table below illustrates the changes in activity compared to the first quarter of 2002.

Canadian Imports	899.4 Bcf	down 7.4%
LNG Imports	75.1 Bcf	up 191%
Mexican Imports	0.0 Bcf	down 100%
<b>Total Imports</b>	<b>974.5 Bcf</b>	<b>down 2.3%</b>
Mexican Exports	70.6 Bcf	up 69.3%
Canadian Exports	77.3 Bcf	up 66.6%
Japanese Exports	15.4 Bcf	down 2.7%
<b>Total Exports</b>	<b>163.3 Bcf</b>	<b>up 58.4%</b>

See details below for more information.

Puerto Rican Imports	5.2 Bcf	same
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The Puerto Rican imports are shown in the table above, in the quarterly summary on the next page, and in Attachment B-1. However, these imports are not reflected in any of the summary totals found on this page, as the summaries are only for trade pertaining to the continental U.S.

During the first quarter, 4 importers of LNG (BG LNG, BP Energy, Distrigas, and El Paso) brought in 39 cargoes from 3 countries, totaling 75.1 Bcf. This compares to 10 cargoes and 25.8 Bcf in the first quarter of 2002, and 35 cargoes and 69.4 Bcf last quarter.

**First Quarter Data:** Comparing first quarter 2003 to first quarter 2002 data, total imports under long-term contracts decreased. **Natural gas imports under all long-term contracts** totaled 165.8 Bcf, compared to 220.3 Bcf in the first quarter of 2002. Of this total, **long-term Canadian imports** were down 28 percent (148.1 v. 205.7 Bcf). The average price of this gas was \$5.32 per MMBtu, which is \$1.43 or 37 percent higher than the preceding quarter and \$2.49 or 88 percent higher than the first quarter of 2002. **Long-term LNG imports** increased 21 percent (17.7 v. 14.6 Bcf). Under **long-term LNG imports**, Distrigas imported 17.7 Bcf from Trinidad at an average price of \$4.34.

During the first quarter, 101 companies used **short-term authorizations to import** 808.6 Bcf, which is a 4 percent increase over the first quarter of 2002 (778.1 Bcf). Of this total, 751.3 Bcf was **imported from Canada** at an average price of \$6.10 per MMBtu, compared to 765.2 Bcf at \$2.41 in the first quarter of 2002, and 805.9 Bcf at \$3.87 in the previous quarter. There were no **imports from Mexico**, compared to 1.7 Bcf at \$2.36 in the first quarter of 2002 and no imports last quarter. **Short-term LNG imports** totaled 57.4 Bcf for the quarter, compared to 11.2 Bcf in the first quarter of 2002 and 54.5 Bcf last quarter. Under short-term LNG import contracts, BG LNG imported 29.6 Bcf from Trinidad at an average price of \$5.13 per MMBtu; 2.8 Bcf from Algeria at \$6.92; and 1.9 Bcf from Qatar at \$5.28. BP Energy imported 1.9 Bcf from Trinidad at \$4.69; Distrigas imported 19.4 Bcf from Trinidad at \$4.25; and El Paso imported 1.8 Bcf from Trinidad at \$5.08.

The following is a breakdown of short-term imports from Canada by point of entry.

Point of Entry	% of Imports	Wt. Avg. \$
Port of Morgan, MT	23	6.04
Sherwood, ND	15	6.01
Eastport, ID	14	5.06
Noyes, MN	12	6.08
Sumas, WA	11	5.51
Niagara Falls, NY	9	6.92
Grand Island, NY	5	6.73
Waddington, NY	5	7.30
Calais, ME	3	7.90
Other	3	6.13

In addition, 21 **short-term export** authorizations were used, exporting a total of 147.9 Bcf of gas. Thirteen companies exported 77.3 Bcf to Canada, at an average price of \$7.76 per MMBtu. Eight companies exported 70.6 Bcf to Mexico at \$6.14. Finally, 15.4 Bcf of LNG was exported to Japan at \$4.34 (delivered).

**Year to Date Data:** Comparing the first 3 months of 2003 with the first 3 months of 2002, total gas imports decreased 2.3 percent (974.5 v. 998.4 Bcf) and total gas exports increased 58.4 percent (163.3 v. 103.1 Bcf). Canadian imports decreased 71.5 Bcf or by 7.4 percent (899.4 v. 970.9 Bcf). Mexican imports decreased 100 percent (0.0 v. 1.7 Bcf) and LNG imports increased 191 percent (75.1 v. 25.8 Bcf). Exports to Canada increased 66.6 percent (77.3 v. 46.4 Bcf) and exports to Mexico increased 69.3 percent (70.6 v. 41.7 Bcf). LNG exports to Japan decreased slightly by 2.7 percent (15.4 v. 15.0 Bcf).

This quarter's **focus report** is "2003 Natural Gas Import/Export Trade: A Second Look." The quarterly report and future revisions to the report will reside on our Electronic Bulletin Board at (202) 586-7853 and on the Fossil Energy Web Site at <http://www.fe.doe.gov> (click on Gas Regulation). Any questions or comments about this report should be directed to Yvonne Caudillo at (202) 586-4587 or by E-mail at [yvonne.caudillo@hq.doe.gov](mailto:yvonne.caudillo@hq.doe.gov).